



Australian Hotels Association
WESTERN AUSTRALIA

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Committee Secretary
Senate Standing Committees on Community Affairs
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CANBERRA ACT 2600

**AUSTRALIAN HOTELS ASSOCIATION WA SUBMISSION
SOCIAL SERVICES LEGISLATION AMENDMENT (CASHLESS DEBIT CARD) BILL 2017**

The Australian Hotels Association WA (AHA) welcomes the opportunity to make a submission that supports amendments to the *Social Security (Administration) Act 1999* that provide for the continuation of the Cashless Debit Card in the current trial sites, and the expansion into new sites in Western Australia.

The AHA is the peak industry body for tourism, hotels and hospitality businesses across metropolitan and regional Western Australia. Our members include accommodation hotels, hotels, country pubs, taverns, small bars and tourism attractions and resorts. Our members in the regions are predominantly made up of small to medium businesses that are key stakeholders and residents in their communities.

Our members understand that alcohol is a unique product regulated under state liquor licensing laws that require business to balance the sale and supply of alcohol with the potential for public harm. Over the past 20 years, licensed businesses have worked with law enforcement, health agencies and the community, introducing a range of measures to restrict or prohibit access to alcohol focusing on regional and remote communities where alcohol and related issues are a significant issue.

Measures adopted by licensed businesses include region-wide alcohol restrictions, more prohibitive restrictions on full-strength alcohol sale and takeaway limits have demonstrated some improvement. However, the complexity of alcohol abuse has called for more targeted measures to be introduced that also address the means used to procure alcohol.

Support for Cashless Debit Card

Andrew Forrest's Creating Parity report supported industry and community concerns about the urgent need for action to address alcohol and drug abuse.¹ 'Communities, especially remote first Australian communities, are desperate to stop the incoming tide of drugs and alcohol (enabled by untied welfare cash).'²

The report recommended the introduction of a 'healthy welfare card' which was adopted for trial, quarantining 80 % of benefits onto a bank card to prevent funds being used to purchase alcohol or gambling products at two sites – Ceduna, SA and East Kimberley (spanning Kununurra and Wyndham), WA.

An independent evaluation of the trial in both locations and found the CDC was associated with a reduction in all three target behaviours among CDC participants – alcohol consumption, illegal drug use and gambling.³ The research found the following:

- 41 per cent of drinkers on the card said they were drinking less
- 48 per cent of drug users on the card said they were using drugs less
- 48 per cent of gamblers on the card said they were gambling less

The findings indicate that the CDC shows some evidence of restricting the flow of cash to harmful uses and redirecting it to paying for essentials.

The outcomes have been encouraging and consistent with AHA's support for targeted solutions to intervene on alcohol abuse and we submit our support for the proposed amendments to the legislation.

Additional Measures for Adoption in WA

There are a range of measures that may require funding support that aren't under the Federal Government jurisdiction. The AHA recognises that liquor licensing legislation is an area of State law and not under Federal government jurisdiction. There are a range of complementary measures that may require funding support and the AHA has been actively seeking for measures to be introduced by State Government that relate to the liquor licensing framework.

The AHA has identified the following measures that should be adopted in CDC areas as part of the mix of measures operation to compliment and support the continuation and expansion of the CDC.

Takeaway Alcohol Management Systems (TAMS)

¹ Forrest, A. (2014). *The Forrest Review: Creating Parity*. Australian Government Department of the Prime Minister and Cabinet, Canberra.

² Forrest, *Creating Parity*, p. 102.

³ Orima Research (2017) Department of Social Services Cashless Debit Card Trial Evaluation: Wave 1 Interim Evaluation Report, February, Commonwealth of Australia, Canberra.

Takeaway Alcohol Management Systems (TAMS) are an effective tool for targeted intervention that allows licensees to monitor and enforce access to alcohol in restricted areas.

TAMS utilise ID scanning machines that require recognised photographic ID to be provided on purchase and have proved effective, as part of a mix of measures used to regulate sales of alcohol in alcohol restricted areas where daily alcohol minimums are in place.

In Ceduna, South Australia, ID Tect machines are installed in all takeaway alcohol outlets and manage restriction of sales on certain alcohol products and persons who are barred from purchasing alcohol.

In East Kimberley where daily alcohol limits have been in place in March 2009, a 12 month trial of the TAMS was introduced in December 2015. ID scanners were installed at a limited number of takeaway liquor stores in the Shire of Wyndham East Kimberley to prevent people from exceeding the maximum daily purchase of alcohol, which is two cartons of full-strength beer, six bottles of wine or one litre of wine or spirits with an alcohol content of 15 per cent or more.

The AHA supports a roll-out of TAMS across all takeaway liquor stores with additional capacity for systems to support compliance of barring and prohibition orders.

Banned Drinkers' Register

Between 2006 and 2008, the Northern Territory Government introduced a range of alcohol management measures which included a 'Banned Drinkers Register'. Under this system, a court of bail order could result in a ban being imposed on any offender.

ID scanning systems were introduced into at al takeaway liquor outlets. Persons seeking to purchase alcohol were required to produce photographic ID and were prevented from purchasing alcohol if they were on the banned list.

This system was subsequently abandoned in 2012. A new iteration of the register is being reintroduced in 2017 which will be extended and allow for persons convicted of mid-range and low-range drinking offences to be banned.

In Western Australia, barring notices under the *Liquor Control Act 1988* are used to address violent or anti-social manner in licensed venues by restricting an individual's access to a specified venue for a period of up to 12 months. While barring notice have proved effective, the AHA would support further expansion of barring notices, or the introduction of a banned drinkers register to support safer licensed premises and communities.

In an article by the ABC, AHA (WA) CEO Bradley Woods said 'it was successful in the Northern Territory when it was in place, and would be an extremely useful tool for licensees and police to know those people with convictions for alcohol-related violence aren't served alcohol'.⁴

⁴ ABC News, 19 April 2017, *Push for register to ban violent drinkers from buying booze in WA*.

The implementation of TAMS, Banned Drinkers' Registers and the CDC could be used to complement and strengthen the effectiveness of the existing restrictions, voluntary accords, and regulatory tools currently used to minimise harm and balance the needs of the entire community.

Operational Issues of CDC

The AHA is aware through members in current CDC sites of issues relating to the operation of the card that require consideration and are outlined below.

Mixed-merchant businesses

Businesses have raised concerns regarding the use of the CDC in 'mixed-merchant' businesses such as hotels, pubs, and bistros who provide a range of goods and services allowed to be purchased using the CDC, as well as prohibited goods and services such as alcohol and gambling.

One of the unintended adverse consequences listed in the Final Evaluation Report of the Cashless Debit Card Trial was 'being told by a merchant out of the area that they cannot accept this card'. The suggested solution was that 'The Department indicated that the CDC has complete coverage of merchants that do not have alcohol or gambling as the main source of business'.⁵

Because the card stops purchases of alcohol at the merchant level, shops that serve both alcohol and food are either banned from being allowed to accept the CDC or, in the case of key pubs in Kununurra, require one till specifically to process only accommodation transactions. This developed during the trial because domestic violence victims were unable to use the CDC to stay at the hotel in order to escape their situations.

The AHA believes it is essential that the mixed-merchants that will be patronised in the proposed areas be identified, in both WA and other States and Territories. Otherwise, mixed-merchants will be unable to process transactions with the CDC. This will impact on business viability, and cause hardship and inconvenience for CDC recipients.

Extension to remote surrounding areas

Alcohol and drug-related issues are not just limited to cities, particularly in regional centres.

Cities like Kalgoorlie are major service centres for a number of regional and remote communities with peoples travelling from as far north-east as Warburton, (903km) to purchase alcohol and other products.

<http://www.abc.net.au/news/2017-04-19/broome-top-cop-wants-liquor-crackdown-register-known-offenders/8454528>

⁵ Orima Research (2017) Department of Social Services Cashless Debit Card Trial Evaluation: Wave 1 Interim Evaluation Report, February, Commonwealth of Australia, Canberra.

The AHA recognises that matters relating to locations and participation criteria are to be determined in the disallowable instrument and supports boundaries for the trial being extended to include surrounding areas.

On behalf of the AHA, I would like to reiterate our support for targeted measures that address alcohol and drug related abuse in our communities and thank you for your consideration of the matters raised in this submission.

If we can provide any additional information in support of this submission, please don't hesitate to contact the office on 9321 7701.

Yours sincerely

Bradley Woods
CEO / Executive Director